

July 21, 2004

GM Service and Parts Operations

General Motors Corporation Service Operations 30501 Van Dyke Avenue Warren, Michigan 48090-9

Subject: GM Data Stream License Agreement

The purpose of this letter is to provide you with information in regards to the changes in the 2004 GM Data Stream Information License Agreement, to provide you with a copy of the agreement and to supply you with contact information if you have any questions.

Over the last 18 months, General Motors contracted an independent company to conduct market research to evaluate all aspects of GM's Service Information Licensing activity. This company performed a market assessment, personal interviews, and a complete product review. At the conclusion of this evaluation, it was determined that GM's Data Stream Information is undervalued.

Also, GM is currently reviewing the quality and timeliness of Data Stream Information and is developing an action plan to improve service to the licensee. One such improvement will be providing data stream releases significantly earlier than the current July release. Our plans include an initial release of available 2005 model year data stream information late in the fourth quarter of 2004, with subsequent releases during the first and second quarters of 2005.

Therefore, this new agreement will include *two* (2) model years of data stream files. In addition, body and chassis Type III (bi-directional) files will be available for an additional cost for most body and chassis controllers.

Effective July 1, 2004 the new license fee for GM Data Stream Information is as follows:

- \$30,000.00 non-refundable licensing fee for:
  - Type I and Type III(bi-directional) data stream information for emission related diagnostic procedures, including engine, transmission, and transaxle control modules (Powertrain) for the 2004 and 2005 model years.
- \$20,000.00 non-refundable licensing fee for:
  Type I data stream information, diagnostic procedures for most Body,
- Chassis and Networking control modules for 2004 & 2005 model years.

  And Type III (bi-directional) data stream information, diagnostic procedures for most Body, Chassis and Networking control modules for the 1996-2004 model years and the 2005 model year. Please note that body and chassis data files are only available if you are licensed to receive Powertrain files.

Enclosed, please find the subject agreement. You are encouraged to review this document carefully. Sign, date, and return <u>both copies</u> of the agreement along with your check in the amount of \$50,000.00 (US CURRENCY) payable to "SPX Corporation - Service Solutions" and return it using the enclosed preaddressed UPS envelope.

Upon receipt of both copies of the signed agreement and your check, GM will execute its portion of the agreement and return a copy for your files.

Should you only desire an Agreement for Powertrain Data Stream, or if you have any other questions regarding this agreement please contact Dante Williams, GM Licensing Coordinator, at 586-578-7315 or by e-mail at dante.williams@servicesolutions.spx.com

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Robert A. Brown, Jr

Manager - Service Legislation & Licensing
GM Service and Parts Operations

# General Motors Data Stream Information License Agreement with

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## LICENSE AGREEMENT FOR THE USE OF GENERAL MOTORS DATA STREAM INFORMATION

This License Agreement ("AGREEMENT") is entered into by and between General Motors Corporation ("GM"), a Delaware corporation, acting through its Service and Parts Operations having a place of business at 30501 Van Dyke Avenue, Mail Code 480-204-001, Warren, MI 48090-9008

#### RECITALS

WHEREAS, GM owns all right, title and interest in Data Stream Information for current General Motors North American vehicles, including all copyright, trade secret and other proprietary rights, and LICENSEE desires to obtain license rights to such Data Stream Information for the development, manufacture and sale of diagnostic service tools;

NOW, THEREFORE, in consideration of the mutual promises herein contained, the parties agree:

#### I. LICENSE GRANT

- 1.1 <u>License</u>. Subject to the terms of this AGREEMENT, GM grants to LICENSEE a non-exclusive, non-transferable license solely for the development, manufacture and sale of diagnostic service tools ("LICENSED PRODUCTS") utilizing the Data Stream Information detailed in EXHIBIT A. Any other use is strictly prohibited.
- 1.2 <u>Marketing Territory</u>. LICENSEE may manufacture and sell the LICENSED PRODUCTS worldwide.

#### II. LICENSING FEE AND PAYMENTS

- 2.1 <u>License Fee</u>. LICENSEE agrees to pay GM a non-refundable annual license fee ("LICENSE FEE") as set forth in EXHIBIT A.
- 2.2 <u>Payment</u>. The annual LICENSE FEE shall be paid by check, in United States currency, made payable to: SPX Service Solutions

  GM Licensing Program

GM Licensing Program 28635 Mound Rd

Warren, MI 48092-3499

#### III. TERM

3.1 <u>Effective Date and Term</u>. This AGREEMENT shall become effective, with the effective date being retroactive to and defined herein as, July 1, 2004, upon its full execution by both parties and GM's receipt of the LICENSE FEE. This AGREEMENT shall continue for a Term of one (1) year ("LICENSE TERM"), unless sooner terminated pursuant to this AGREEMENT.

#### IV. WARRANTY, INDEMNIFICATION AND OWNERSHIP

- 4.1 <u>Compliance With Laws</u>. The Licenses granted herein are conditioned upon LICENSEE'S complete compliance with all federal, state, and local laws, regulations, and rules, including (without limitation) all trademark, patent, and copyright laws of the United States, as well as all California Air Resource Board (CARB) and U.S. Environmental Protection Agency (EPA) laws pertaining to the dissemination of emission-related service information, applicable to the subject matter of this AGREEMENT.
- 4.2 <u>Warranty.</u> GM WARRANTS THAT IT HAS THE RIGHT TO LICENSE THIS INFORMATION TO LICENSEE. NO OTHER WARRANTIES, EXPRESS OR IMPLIED, ARE MADE WITH RESPECT TO THE INFORMATION INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
- 4.3 <u>Indemnification of GM</u>. LICENSEE agrees to hold harmless, defend, and indemnify GM, its officers, directors and employees against any and all claims, demands, causes of action, penalties or damages (including reasonable attorney's fees) arising out of or in connection with: (i) use of the Data Stream Information, (ii) the design, manufacture, distribution and sale of the LICENSED PRODUCTS fees), or (iii) LICENSEE'S failure to comply with any CARB or EPA regulations or rules pertaining to the dissemination of emission-related service information.

- 4.4 <u>Goodwill and Ownership</u>. LICENSEE acknowledges that the Data Stream Information and all associated copyrights, trade secrets and other proprietary rights and all right, title and ownership therein and the goodwill pertaining thereto belong exclusively to GM. Moreover, LICENSEE will not, during the term of this AGREEMENT or thereafter, attack the validity of GM's proprietary rights in the Data Stream Information.
- 4.5 Confidentiality. LICENSEE acknowledges that the Data Stream Information provided in accordance with this AGREEMENT is confidential and any intellectual and industrial property rights of whatever nature in the Data Stream Information are and shall remain the property of GM and nothing in this AGREEMENT shall be deemed to convey to LICENSEE any right, title or interest in or to the same. Accordingly, during the term of this AGREEMENT and thereafter, LICENSEE will maintain the Data Stream Information in strict confidence and will not use, disclose or otherwise communicate to any third party information about either the specific terms and provisions of this AGREEMENT or any proprietary information or materials delivered to the LICENSEE pursuant to this AGREEMENT, including but not limited to, the Data Stream Information. During the term of this AGREEMENT, LICENSEE will only disclose the Data Stream Information to its directors and employees with a need to know and only to the extent bona fide necessary.

#### V. TERMINATION

- Material Breach. In the event a party materially breaches this AGREEMENT and does not cure such breach within thirty (30) days after notice thereof from the other party specifying such breach, then, and in addition to all other rights and remedies which the other party may have in law or in equity, the other party may, at its option, terminate this AGREEMENT by notice thereof in writing specifying the reason for such termination and a termination date. Such termination shall become effective on the date of termination set forth in the notice of termination, but in no event earlier than thirty (30) days from the date of mailing thereof.
- 5.2 <u>Insolvency or Bankruptcy</u>. If LICENSEE files a petition in bankruptcy or is adjudicated a bankrupt, or if a petition in bankruptcy is filed against LICENSEE, or if LICENSEE becomes insolvent, makes an assignment for the benefit of its creditors or an arrangement pursuant to any bankruptcy law, discontinues all or a significant portion of its business, or has a receiver appointed for it or its business, then this AGREEMENT shall automatically terminate without any notice being necessary.

- 5.3 Effect of Termination or Expiration. Upon expiration or termination of this AGREEMENT, all rights granted to LICENSEE hereunder shall revert to GM, and LICENSEE shall refrain from producing LICENSED PRODUCTS utilizing the Data Stream Information. LICENSEE will return to GM all Data Stream Information and other proprietary information provided to it by GM pursuant to this AGREEMENT. Furthermore, LICENSEE agrees and understands that its obligations under the Confidentiality provisions of Article 4.5 remain in effect after expiration or termination of this AGREEMENT.
- Disposal of Inventory. Unless LICENSEE applies for, and is granted a new AGREEMENT, LICENSEE may not produce the LICENSED PRODUCTS embodying the Data Stream Information upon expiration or termination of this AGREEMENT, but LICENSEE may dispose of any existing inventory of LICENSED PRODUCTS for one (1) year thereafter provided: (a) termination is not due to a failure to comply with the "Compliance With Laws" (Section 4.1) provision of this AGREEMENT, and (b) LICENSEE notifies GM in writing, at least thirty (30) days before expiration or, in the event of termination, ten (10) days after termination is effective, of the quantity and description of the LICENSED PRODUCTS then in inventory which LICENSEE desires to dispose of ("DISPOSAL INVENTORY"). GM shall have the right, upon reasonable advance notice, to conduct a physical inventory or take other reasonable means to verify the accuracy of the DISPOSAL INVENTORY.

#### VI. MISCELLANEOUS PROVISIONS

- 6.1 <u>Governing Law</u>. This AGREEMENT shall be governed by and construed in accordance with the laws of the State of Michigan, and each party agrees to submit to the jurisdiction and venue of the applicable courts therein.
- 6.2 <u>Non-Assignment</u>. This AGREEMENT and the Licenses granted therein are personal to LICENSEE and may not be assigned or otherwise transferred by LICENSEE without the prior written consent of GM, which consent shall not be unreasonably withheld. Any attempted assignment or transfer without such consent shall be void and shall automatically terminate all rights of the LICENSEE under this AGREEMENT.
- 6.3 <u>Notices and Written Communications</u>. All notices, payment of fees, or other communications required or permitted under this AGREEMENT shall be in writing and deemed given when sent by certified or registered mail and addressed to the respective party hereto as follows:

LICENSEE:

GM:

**GM Licensing Program** 

**GM Licensing Coordinator** 

28635 Mound Rd Warren, MI 48092

- 6.4 Relationship of the Parties. LICENSEE is an independent contractor, and nothing in this AGREEMENT shall constitute or be construed to create a partnership, joint venture, or any other agency or employment relationship between the parties. Neither party is authorized to enter into any agreement on behalf of, assume any obligation for, or otherwise bind the other party financially or otherwise.
- 6.5 Entire Agreement and Non-waiver. This AGREEMENT is the entire agreement and understanding between the parties relating to the specific subject matter hereof, and cancels and supersedes all prior written or oral agreements, arrangements, and understandings between the parties relating to the specific subject matter hereof. This AGREEMENT may be amended or modified only by an express writing signed and dated by both parties.
- 6.6 Severability and Headings. The provisions of this AGREEMENT shall be severable and if any AGREEMENT provision shall be held or declared illegal, invalid, or unenforceable, then it shall not effect any other AGREEMENT provision or the interpretation, effect, or enforceability of this AGREEMENT. The headings in this AGREEMENT are used for convenience only and shall not be construed as a part of the AGREEMENT or impact the meaning, interpretation, or effect thereof.

The parties hereto indicate their understanding of and full agreement with all the foregoing by its duly authorized representatives' signature below.

GENERAL MOTORS CORPORATION Service and Parts Operations	LICENSEE:
By:	By:
Robert A. Brown, Jr. Manager, Service Legislation & Licensing	
Date:	Name:
	Title:
	Date:

#### LICENSE AGREEMENT EXHIBIT A

#### LICENSEE:

#### **GM LICENSED INFORMATION**

Data Stream information that will be provided to tool manufacturers are the definitions of electronic messages that are transmitted between a test tool and the vehicle to perform diagnostic procedures. This includes two basic types of messages:

- Type I and Type III(bi-directional) data stream information for emission related diagnostic procedures, including engine, transmission, and transaxle control modules (Powertrain) for the 2004 and 2005 model years.
- Type I data stream information, diagnostic procedures for most Body, Chassis and Networking control modules for 2004 & 2005 model years. And Type III (bi-directional) data stream information, diagnostic procedures for most Body, Chassis and Networking control modules for the 1996-2004 model years and the 2005 model year.

#### ANNUAL LICENSE FEE

Total License Fee = Fifty Thousand Dollars (\$50,000.00) US Currency